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HOUSE BILL 157

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Gloria C. Vaughn

AN ACT

RELATING TO STATE POLICE RETIREMENT; PROVIDING FOR A DEFERRED  
RETIREMENT OPTION PLAN.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Public Employees  
Retirement Act is enacted to read:

"[NEW MATERIAL] STATE POLICE RETIREMENT-- DEFERRED  
RETIREMENT OPTION PLAN. --

A. On or after October 1, 2003, a state police  
member who is eligible to retire pursuant to Subsection G of  
Section 10-11-28 NMSA 1978 but remains an officer of the New  
Mexico state police may make an irrevocable election with the  
association to participate in a deferred retirement option  
plan. The election shall be made on a form prescribed by the  
executive director and shall specify the period for which the

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1 state police member agrees to participate in the plan; provided  
2 that the period shall be in annual increments and shall not be  
3 more than five years. The chief of the New Mexico state police  
4 shall approve a state police member's continuation of service  
5 before the member may elect to participate in a deferred  
6 retirement option plan.

7 B. During the period a state police member  
8 participates in a deferred retirement option plan:

9 (1) the member shall continue to make  
10 contributions to the member contribution fund;

11 (2) the state shall continue to make  
12 contributions to the employers' accumulation fund;

13 (3) no additional service credit shall be  
14 credited; and

15 (4) every month, the executive director shall  
16 credit to a deferred retirement option account, created for the  
17 state police member within the retirement reserve fund, an  
18 amount equal to the retirement benefit that the state police  
19 member would have received that month if the state police  
20 member had retired at the time of making the election pursuant  
21 to Subsection A of this section.

22 C. A salary paid to a state police member while  
23 participating in a deferred retirement option plan shall be  
24 excluded when calculating the member's final average annual  
25 salary pursuant to Section 10-11-30 NMSA 1978.

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1                   D. A state police member terminates participation  
2 in a deferred retirement option plan by:

3                   (1) retirement;

4                   (2) death; or

5                   (3) expiration of the period for which the  
6 state police member elected to participate in the plan.

7                   E. Upon the death of a state police member while  
8 participating in a deferred retirement option plan or after  
9 participation but before retirement, the member's refund  
10 beneficiary shall be paid the total amount credited to the  
11 member's deferred retirement option account plus interest at  
12 the rate set by the retirement board.

13                   F. Upon retirement pursuant to the Public Employees  
14 Retirement Act, a state police member who participated in a  
15 deferred retirement option plan shall be paid the total amount  
16 credited to the member's deferred retirement option account  
17 plus interest at the rate set by the retirement board. The  
18 member may elect that the payment be made in one lump sum or in  
19 installments over a period of time as provided by rule of the  
20 retirement board.

21                   G. A payment made pursuant to Subsection E or F of  
22 this section is in addition to a pension otherwise payable  
23 pursuant to the Public Employees Retirement Act. "